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**Principal Financial Group**Mailing Address:  
Des Moines, IA 50392-0002Principal Life  
Insurance CompanyEmployer Application for  
Group Insurance - TXThis form is for ☒ new case ☐ amendment

Account number

1425974

Requested effective date:

1/1/06

Advanced premium received \$

50,000

You have the option to choose a Consumer Choice Health Benefits Insurance Plan (CCP) that, either in whole or in part, does not provide state-mandated health benefits normally required in accident and sickness insurance policies in Texas. This standard health benefit plan may provide a more affordable health insurance policy for you although, at the same time, it may provide you with fewer health benefits than those normally included as state-mandated health benefits in policies in Texas. If you choose this standard health benefit plan, please consult with your insurance agent to discover which state-mandated health benefits were excluded in the policy.

**Employer Information**

Legal name of company (include dba)

McLane Company, Inc.

☒ corporation ☐ partnership ☐ sole proprietorship ☐ other

Physical address (street)

4747 McLane Parkway

City

Tempe

State

TX

ZIP code

76503

Mailing address (PO Box)

Contact

Telephone number

FAX number

Email address

Paige Claus 972-364-2051 972-364-2051 paigec@mcclaneco.com

Nature of business

SIC code

Federal tax ID number

Number of years in business

Have you been insured by Principal Life Insurance Company previously? ☒ no ☐ yes

If yes, when and under what name?

Has the company been denied credit within the past two years, ever filed for bankruptcy, or is the firm now in the process of (or considering) filing for bankruptcy? ☒ no ☐ yes (attach an explanation)

Complete the following if this coverage replaces other group insurance. Provide a copy of the most recent billing.

Note: Include prior carrier information for past three years.

Name of Carrier

Coverage(s)

Effective Date

Termination Date

11/1/01

all lines

1999

12/31/05

**Employers with Participating Units**

If employees of any associated business organizations (e.g. parent-subsidiary, brother-sister relationships, affiliated groups, etc.) are to be covered, please list the affiliate or subsidiary below.

Participating unit is an entity that is an affiliate or subsidiary related to the employer through common control or ownership.

Unit name/address/federal tax ID

Nature of business

Relationship to company

include unit ☐ exclude unit ☐

Number of employees

1. McLane Company, Inc.

whole sale grocery

company

11,000

2. McLane Foodservice

grocery distribution

subsidiary

3,000

3. PDI

subsidiary

200

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(see attached subsidiary list)

All U.S. subsidiaries are eligible for McLane's plans.

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## Request for Benefits

Medical plan number(s) \_\_\_\_\_ PCS plan number \_\_\_\_\_ Version number \_\_\_\_\_

illustrated in proposal number \_\_\_\_\_

☐ dental ☐ vision ☒ short term disability (STD) ☒ long term disability

☒ basic term life ☐ Options ☒ basic term accidental death and dismemberment ☐ dependent term life

☒ voluntary term life ☐ supplemental term life ☐ supplemental term accidental death and dismemberment ☒ accelerated death benefits

☐ medical: Do you want insurance for ☐ employees ☐ employees and dependents

PPO number(s)/name(s) \_\_\_\_\_

If multiple PPOs are elected, please include a list showing which employees are utilizing each PPO.

☐ network choice Attach list of which network each employee elects. (not available for CCP plans)

☐ benefit choice. Attach list of which benefit each employee elects (not available for CCP plans)

Waiting Period/Effective Date Provisions (see attached)

Initials (employees working the required number of hours on or before the effective date of new case/new coverage with Principal Life): \_\_\_\_\_

Futures (employees hired the day after the effective date of coverage or later): \_\_\_\_\_

Waiting Period ☐ 1 month ☐ 3 months ☐ 6 months ☐ Other

Note: If you wish all employees to have the same waiting period, the waiting period for Initials should be marked the same as futures (employees who have already met the waiting period above do not have to meet it again if continuously working).

Waiting Period ☐ 1 month ☐ 3 months ☐ 6 months ☐ Other

Employees will be eligible on the \_\_\_\_\_

☐ day immediately following the final day of the waiting period

☐ first day of the insurance month (insurance month coincides with premium due date)

Employer Contribution

|  | Employee | Dependent |
|--|----------|-----------|
| Dental   | %        | %         |
| Vision   | %        | %         |
| Short term disability (STD)*   | 0        | 0% hourly |
| Long term disability (LTD)*  | 100      | 0% salary |
| Basic term life and accidental death and dismemberment   | 100      | 0         |
| Dependent term life  | 0        | 0         |
| Supplemental term life and accidental death and dismemberment  | 0        | 0         |
| Voluntary term life  | 0        | 0         |
| Medical  | %        | %         |
| *If employees contribute to the cost of STD and/or LTD insurance, are these contributions made on a pre-tax or post-tax basis? | %        | %         |

Employee Eligibility

☒ An employee must work at least 30 hours per week to be eligible for insurance.

☐ Other \_\_\_\_\_ (if agreed to by the home office of Principal Life)

Ineligible Employee

- An independent contractor (unless required by law)
- An employee who works less than the required number of hours per week, or is employed as a temporary or seasonal employee, is not eligible for insurance

Total number of employees (full and part-time): 14,200

Total number of eligible employees (full and part-time): 14,200

Describe any class of employees or location(s) excluded from coverage.

Do you have employees or their dependents residing: (check all that apply)

☒ outside the United States? (1) see attachment

☐ in Hawaii (not eligible for medical insurance)

☒ in New York? How many? \_\_\_\_\_

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Complete the following sections for coverages being requested. 210**Life**

If you are a group with 51 or more employees requesting group term life insurance, do you want insurance for retirees?

☒ no ☐ yes If yes, ☐ your current retirees ☐ your future retirees**Disability**If you are requesting short term disability coverage, are there employees working in any of the states listed below (policies offered in these states are Supplemental)? ☐ no ☒ yes

If yes, indicate the number of employees for each state in the box.

| California | Hawaii | New Jersey | New York | Rhode Island |
|------------|--------|------------|----------|--------------|
| 1,400      |        | 400        | 8600     |              |

**Life/Disability**

If requesting life or disability insurance, list all employees not actively at work and dependents (if dependent life insurance is requested) in a period of limited activity.

report requested for employees**Dental** N/AIf dental insurance is requested, do you want to insure retirees? ☐ no ☐ yesIf yes, ☐ your current retirees ☐ your future retireesIf you are replacing dental insurance, did your prior dental coverage include benefits for orthodontia treatment? ☐ no ☐ yes**Medical** N/ADo you offer medical coverage to your employees through another carrier? ☐ no ☐ yes, number covered? \_\_\_\_\_

TEFRA eligibility is defined as employees who employed 20 or more full and/or part-time employees for 20 or more calendar weeks in the current or preceding year. If this requirement is met, the group is TEFRA eligible and Principal Life will pay primary to Medicare.

Do you meet the eligibility definition? ☐ no ☐ yes

If you are a group with 51 or more employees requesting medical insurance, do you want insurance for retirees?

☐ no ☐ yes If yes, ☐ your current retirees ☐ your future retirees**Medical/Dental/Vision** N/ACOBRA eligibility is defined as employers who employed 20 or more full and/or part-time employees on at least 50% of the working days in the prior calendar year. Do you meet the eligibility definition? ☐ no ☐ yesIf COBRA applies, please select desired billing option: ☐ group bill policyholder ☐ individual bill continuee

If you currently have anyone on COBRA, please submit enrollment form with qualifying event date noted.

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All Coverages

ERISA plan number 502  
 The Employee Retirement Income Security Act of 1974 (ERISA) requires that each employee benefit plan subject to the Act designate a "Named Fiduciary who shall have authority to control and manage the operation and administration of the plan." **If this plan is subject to ERISA and the Named Fiduciary is other than the employer, fill in the information below.**  
**Principal Life may not be designated as Named Fiduciary.**

The "Named Fiduciary" shall be: McLane Company, Inc.  
 Designation as Named Fiduciary is accepted. (Required only if the "Named Fiduciary" is an individual.)

By \_\_\_\_\_

Title \_\_\_\_\_

It is understood that Principal Life shall not be responsible for any tax or legal aspects of the plan. The employer assumes responsibility for these matters. The employer acknowledges that they have counseled to the extent necessary with selected legal and tax advisors. The obligations of Principal Life shall be governed solely by the provisions of its contracts and policies. Principal Life shall not be required to look into any action taken by the named fiduciary or the employer and shall be fully protected in taking, permitting, or omitting any action on the basis of the employer's actions. Principal Life shall incur no liability or responsibility for carrying out actions as directed by the named fiduciary or the employer.

It is further understood that by signing this application, the employer is purchasing insurance and not making an investment. No reserves, undeposited or unpaid experience premium refunds, or interest with respect to claim payments, nor claim proceeds themselves shall be considered plan assets under ERISA.

Agreement and Signatures

- The employer has been informed of the eligibility requirements. The employer agrees that insurance applied for shall not become effective or remain effective unless the employer: a) is actively engaged in business for profit within the meaning of the Internal Revenue Code, or is established as a legitimate nonprofit corporation within the meaning of the Internal Revenue Code; and b) meets the participation and contribution requirements.
- The employer agrees that insurance applied for shall not become effective unless the application and any attached page(s) are received, accepted and approved by Principal Life
- If this application is accepted, all group policies will be combined and treated as one policy for the purpose of determining any experience premium refund.
- The preexisting condition restrictions for medical and/or long term disability insurance have been explained to and understood by the employer.
- The employer understands receipt and deposit of advanced payment is not a guarantee of coverage. If a policy is issued from this application and is accepted by the proposed policyholder, we will apply the premium deposit to the first premium due for such policy. If no policy is put into force, the premium deposit will be refunded.
- Premium payment will be monthly unless otherwise indicated.
- Acceptance by the employer of any policy or policies issued with this application shall constitute approval of any corrections, additions, or changes specified in the space "For Principal Life Use Only" or as otherwise indicated on this application.
- Your agent or broker cannot change or waive any provision of this application or the policy or policies without the written approval of an officer of Principal Life in the home office.
- The employer acknowledges and understands that if this application is approved, the group policy will determine all rights and benefits.
- The person signing this form for the employer has legal authority to bind the employer for whom application is being made
- The employer agrees to make timely notification of any employee termination, status change, or other material changes that may affect the eligibility of employees or their dependants. Timely notification is no more than 31 days past the actual date of such change
- The employer understands that failure to pay premium when due will be considered a default in premium payment and coverage will terminate at the end of the grace period. If coverage is terminated for nonpayment of premium, premium through the grace period is due and will be collected. The employer understands that coverage may also be terminated for other reasons as provided in the group policy.

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## Agreement and Signatures (continued)

**NOTE:** If Principal Life determines, due to requirements of law or because of our own underwriting criteria, to issue our group insurance through a multiple-employer group insurance trust, the employer hereby subscribes to and agrees to the terms of that trust.

Any person who, with intent to defraud or knowing that he or she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement, may be guilty of insurance fraud. Fraud or misrepresentation may be grounds for nonrenewal or termination under the terms of the group policy.

Employer (company name)

McLane Company, Inc.

Signed by (must be an officer)

James Williams

Officer's title

V.P. People

Date signed

8/31/05

Licensed resident agent(s) (individual/firm)

Holmes Murphy and Associates, Inc.

Agent's license number

3806

Date signed

8/31/2005

X Signature of soliciting agent(s) (if more than one, all must sign)

For Principal Life Use Only

STD plan is an Advice to Pay  
 Mailing address is same as billing  
 Basic & Vol Advt is with Zurich

Waiting period are as follows:

POM

Life + VTL

Hourly - 0 day

Salaried - 0 day

Ltd

Hourly - First of Pay period 90 day

Salaried - 0 day - date

Supp Didn't sell  
 Dependent Life did not sell

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